

**Contacts:**  
John Donovan  
PR Director  
(408)943-4885  
JDI@cypress.com

**For Immediate Release**

**Cypress and Virata Settle Lawsuit**

SAN JOSE, Calif., May 11, 2001 – Cypress Semiconductor Corp. (NYSE:CY) today announced that it had settled its lawsuit with Virata Corporation, a Santa Clara-based provider of communications software and semiconductors to manufacturers of DSL, wireless, satellite, and other broadband networking equipment.

In January 2001 Cypress filed suit in the Chancery Court of the State of Delaware alleging that Virata had misappropriated trade secrets and engaged in unfair competition and tortious interference with contractual obligations. The settlement involves a mutual agreement not to solicit employees and does not involve payment of damages. T.J. Rodgers, Cypress CEO, said, “We’ve negotiated a satisfactory settlement with Virata. The matter is behind us.”

**About Cypress**

Cypress Semiconductor is “Driving the Communications Revolution”™ by providing high-performance integrated circuit solutions to fast-growing markets, including data communications, telecommunications, computation, consumer products, and industrial control. With a focus on emerging communications applications, Cypress's product portfolios include high-speed data communications ICs; networking-optimized and micropower static RAMs; high-bandwidth multi-port and FIFO memories; high-density programmable logic devices; timing technology solutions; and controllers for Universal Serial Bus (USB).

More than two-thirds of Cypress's sales come from fast-growing communications markets and dynamic companies such as Alcatel, Cisco, Ericsson, Lucent, Motorola, Nortel Networks, and 3Com. Cypress's ability to mix and match its broad portfolio of intellectual property enables targeted, integrated solutions for high-speed systems that feed bandwidth-hungry Internet applications. Cypress aims to become the preferred silicon supplier for Internet switching systems and for every Internet data stream to pass through at least one Cypress IC.

Cypress employs more than 4,700 people worldwide with international headquarters in San Jose, California. Its shares are listed on the New York Stock Exchange under the symbol CY. More information about Cypress is accessible electronically on the company's worldwide Web site at <http://www.cypress.com>.

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“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995: Statements herein that are not historical facts are “forward-looking statements” involving risks and uncertainties, including by not limited to: the effect of global economic conditions, shifts in supply and demand, market acceptance, the impact of competitive products and pricing, product development, commercialization and technological difficulties, and capacity and supply constraints. Please refer to Cypress's Securities and Exchange Commission filings for a discussion of such risks.

“Driving the Communications Revolution” is a trademark of Cypress Semiconductor.